

VZCZCXYZ0000  
OO RUEHWEB

DE RUEHBU #1144/01 1381940  
ZNR UUUUU ZZH  
O 181940Z MAY 06  
FM AMEMBASSY BUENOS AIRES  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4599  
INFO RHMFISS/CDR USSOCOM MACDILL AFB FL//SCJ2//  
RULGPUA/USCOMSOLANT

UNCLAS BUENOS AIRES 001144

SIPDIS

STATE FOR INR/R/MR, I/GWHA, WHA, WHA/PDA, WHA/BSC,  
WHA/EPSC  
CDR USSOCOM FOR J-2 IAD/LAMA

SIPDIS

E.O. 12958: N/A

TAGS: [KPAO](#) [OPRC](#) [KMDR](#) [PREL](#) [MEDIA](#) [REACTION](#)

SUBJECT: MEDIA REACTION US SENATE VOTING A FENCE ON  
THE US-MEXICAN BORDER; CHAVEZ AND MORALES CREATING BI-  
NATIONAL MINING CORPORATION; BOLIVIAN NATIONALIZATION  
OF HYDROCARBONS; US-ECUADORIAN TIES; THE NEW EUROPEAN  
LEFT WING; POPULIST GOVERNMENTS; ARGENTINE GOVERNMENT

OFFICIAL STATEMENTS ON US AND MULTILATERAL TRADE  
05/18/06; BUENOS AIRES

#### 11. SUMMARY STATEMENT

Local papers lead with the US Senate voting to construct a fence on the US-Mexican border and supporting citizenship of undocumented US immigrants; Venezuelan President Chavez and Bolivian President Morales creating a bi-national mining corporation; the legality of Bolivia's nationalization of hydrocarbons; Ecuador charging the US with 'blackmail' for having cancelled an FTA in retaliation for the country's putting of a deal with a US oil corporation; a new left wing making progress in the EU; and Argentine Secretary of International Trade Alfredo Chiaradia's

SIPDIS  
statements about the US and multilateral trade.

#### 12. OPINION PIECES AND KEY STORIES

- "The US Senate OKs a 600-km wall on the US-Mexican border"

Ana Baron, Washington-based correspondent for leading "Clarín," writes (05/18) "Yesterday, following up on last Monday's address by US President George W. Bush, the US Senate voted to build a fence of almost 600 km on the US-Mexican border, while rejecting an amendment that would have removed the articles allowing illegal immigrants with more than two years' residence in the country to obtain a work permit and eventually (US) citizenship.

"... Both decisions signify a triumph for Bush, who has proposed an overall approach to the problem of immigration including, on the one hand, reinforced security on the border, and, on the other hand, the legalization of illegal immigrants.

"The problem will be now to reconcile this overall approach adopted by the US Senate with the much more radical and extremist stances prevailing in the Lower House."

- "Evo and Chavez will create a bi-national mining corporation"

Business-financial "El Cronista" reports (05/18) "According to Bolivian Minister for Sustainable Development, Carlos Villegas, Bolivian President Evo Morales and Venezuelan President Hugo Chavez will sign a deal next week to create a bi-national mining corporation called Minersur.

"... The Bolivian government official dismissed criticism from opposed political sectors, which pointed out that the government removed Brazilian company EBX with the purpose of transferring exploitation of the rich Mutun iron field to a Venezuelan company."

- "No reproach for Bolivia's gas nationalization"

Leading "Clarín" carries an op-ed piece by former Argentine Minister for Public Works and Services Roberto Dromi, who opines (05/18) "The Bolivian nationalization of hydrocarbons, surprising as it may be for the way it was performed, although predictable, will compel the Bolivian government to renegotiate its agreements with corporations and it will speed up the renegotiation of agreements among countries, this is to say, the bilateral deals regulating oil supply for neighboring countries..."

"... The nationalization of hydrocarbons means an act of sovereign governance that is intended to lead a process of transformation..."

"Therefore, the nationalization (of hydrocarbons) is the judicial consequence of an act of political opportunity that could be negatively perceived by some political and market sectors, but no judicial actions can be taken over it."

- "Ecuador charges the US with 'blackmail'"

Leading "Clarín" reports (05/18) "Ecuador charged the US with 'blackmail' given that Washington canceled the signature of an FTA after Quito put off an agreement with a US oil company.

"Last Tuesday, Washington canceled FTA negotiations... in retaliation for Quito's decision to cancel an agreement with Occidental, a US company.

"... When Quito canceled the agreement, the USTR's spokesperson, Neena Moorjani, termed Ecuador's actions as 'expropriation.' However, Ecuadorian Minister of Government Felipe Vega rejected her statements and asserted it is an 'administrative procedure' complying with Ecuadorian legislation."

- "The new European left wing makes progress"

Luisa Corradini, on special assignment in Paris for daily-of-record "La Nación," comments (05/18) "Giorgio Napolitano's election as president of Italy has marked for the first time the arrival of a former communist to the highest-ranking position in a Western European country. But, at the same time, it has confirmed the 'socialist temptation' that is seducing EU voters.

"This trend is a political phenomenon that goes beyond circumstantial election results. Europe, a continent of polarities, is seemingly searching blindly for the best way to protect itself from the excesses of globalization. While the most fragile sectors let themselves be tempted by the extreme right wing, moderate sectors look with interest at the alternative

represented by new socialism."

- "Controversy over populism"

Daily-of-record "La Nacion" carries an op-ed piece by contributor Natalio R. Botana, who opines (05/18) "During the EU-Latin American Summit,... Jose Manuel Durao Barroso, head of the EU Executive Committee, said that 'populism is a threat to our values'..."

"... Not every nationalism is populism, neither are policies inspired on equality..."

"... There is a risk of overestimating populism. If we judge from facts, populism today is a minority phenomenon in Latin America. It is important due to the resources it controls... but our countries are determined to incorporate the value of responsibility to the public service. From Brazil to Chile and Uruguay, and from Colombia to Peru, our policies seek to follow the guidelines of democratic reformism rather than populism..."

"... If populism is a threat, the very serious challenges in our megalopolis are not less disconcerting since they are being punished harshly by inequality and organized crime. In light of what is happening these days in Sao Pablo, this overwhelming scenario presents a serious warning since we should not forget that populist illusions are also a byproduct of the reformist inability of democracies."

- "According to Argentine Secretary of International Commerce, Alfredo Chiaradia, 'The US weakens multilateral trade'"

Business-financial, center-right "InfoBae" publishes an interview with Argentine Secretary of Commerce, Alfredo Chiaradia "While the Argentine Government has begun to consider an EU-Mecosur deal as a remote possibility, it has accused the US of weakening multilateralism by promoting bilateral deals.

Argentine Secretary of International Trade, Alfredo Chiaradia said 'The US has reached bilateral deals with eight countries during recent years. But the trade of all those countries together only accounts for 4% of US trade,' referring to a political rather than an economic purpose in the US policy.

"... According to Chiaradia, 'what the US does is weakening multilateralism.'

"In any case, he clarified that the bilateral deals the US has reached with countries of the region 'have not damaged Mercosur, because only the US-Chilean deal is in force given that Central American countries used to have a preferential trade exchange with the US in the past."

To see more Buenos Aires reporting, visit our classified website at:  
<http://www.state.sqov.gov/p/wha/buenosaires>

GUTIERREZ